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(Original Signature of Member)

113TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend title XXI of the Social Security Act to extend and improve the  
Children's Health Insurance Program, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. PALLONE (for himself and Mr. WAXMAN) introduced the following bill;  
which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend title XXI of the Social Security Act to extend  
and improve the Children's Health Insurance Program,  
and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       **SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECU-**  
4                       **RITY ACT; REFERENCES; TABLE OF CON-**  
5                       **TENTS.**

6       (a) SHORT TITLE.—This Act may be cited as the  
7       “CHIP Extension and Improvement Act of 2014”.

1 (b) REFERENCES TO CHIP; MEDICAID; SEC-  
2 RETARY.—In this Act:

3 (1) CHIP.—The term “CHIP” means the  
4 State Children’s Health Insurance Program estab-  
5 lished under title XXI of the Social Security Act (42  
6 U.S.C. 1397aa et seq.) (whether implemented under  
7 title XIX, XXI, or both, of the Social Security Act).

8 (2) MEDICAID.—The term “Medicaid” means  
9 the program for medical assistance established under  
10 title XIX of the Social Security Act (42 U.S.C. 1396  
11 et seq.).

12 (3) SECRETARY.—The term “Secretary” means  
13 the Secretary of Health and Human Services.

14 (c) TABLE OF CONTENTS.—The table of contents for  
15 this Act is as follows:

Sec. 1. Short title; amendments to Social Security Act; references; table of con-  
tents.

Sec. 2. General effective date; exception for State legislation; reliance on law.

#### TITLE I—FINANCING

Sec. 101. 4-Year extension of CHIP funding.

Sec. 102. Performance incentive program improvements.

Sec. 103. Child enrollment contingency fund adjustment.

#### TITLE II—COVERAGE STABILITY AND REDUCED BUREAUCRACY

Sec. 201. Improving coverage stability.

Sec. 202. Assuring care continuity during transitions among CHIP, Medicaid,  
and qualified health plans.

Sec. 203. Continuous eligibility option for certain adults.

Sec. 204. State flexibility to use administrative simplification policies for enroll-  
ment.

Sec. 205. Outreach to targeted populations.

#### TITLE III—BENEFITS AND AFFORDABILITY

Sec. 301. Strengthened cost-sharing protections under CHIP.

Sec. 302. Ensuring coverage of preventive health services under Medicaid and CHIP.

Sec. 303. Timely immunization coverage.

Sec. 304. Payment parity for Medicaid primary care services.

#### TITLE IV—ACCESS AND QUALITY

##### Subtitle A—Pediatric Quality Measures

Sec. 401. Extending the pediatric quality measures program.

Sec. 402. Enhanced FMAP for activities related to pediatric quality measures.

Sec. 403. Reporting of full set of pediatric quality measures.

Sec. 404. Technical assistance to States for adopting and utilizing pediatric quality measures.

Sec. 405. Improving the effectiveness of the pediatric quality measures.

Sec. 406. Reports Regarding State-Specific Quality of Care Measures Applied Under Medicaid or CHIP.

Sec. 407. Advisory panel regarding pediatric quality.

Sec. 408. Extending and expanding demonstration projects.

##### Subtitle B—Continuing Delivery System Reform

Sec. 411. Supporting evidence-based care coordination in communities.

Sec. 412. Ensuring care coordination for children.

##### Subtitle C—Miscellaneous

Sec. 421. Assuring coverage continuity for former foster care children.

Sec. 422. Definition of therapeutic foster care as medical assistance.

Sec. 423. Technical correction.

## **1 SEC. 2. GENERAL EFFECTIVE DATE; EXCEPTION FOR STATE 2 LEGISLATION; RELIANCE ON LAW.**

3 (a) GENERAL EFFECTIVE DATE.—Unless otherwise  
4 provided in this Act, subject to subsections (b) and (c),  
5 this Act (and the amendments made by this Act) shall  
6 take effect on October 1, 2014, and shall apply to medical  
7 assistance and child health assistance furnished under ti-  
8 tles XIX and XXI, respectively, of the Social Security Act  
9 on or after that date.

10 (b) EXCEPTION FOR STATE LEGISLATION.—In the  
11 case of a State plan under title XIX of the Social Security  
12 Act (42 U.S.C. 1396 et seq.) or a State child health plan

1 under title XXI of such Act (42 U.S.C. 1397aa et seq.),  
2 which the Secretary determines requires State legislation  
3 in order for the respective plan to meet one or more addi-  
4 tional requirements imposed by amendments made by this  
5 Act, the respective plan shall not be regarded as failing  
6 to comply with the requirements of such title solely on the  
7 basis of its failure to meet such an additional requirement  
8 before the first day of the first calendar quarter beginning  
9 after the close of the first regular session of the State leg-  
10 islature that begins after the date of enactment of this  
11 Act. For purposes of the previous sentence, in the case  
12 of a State that has a 2-year legislative session, each year  
13 of the session shall be considered to be a separate regular  
14 session of the State legislature.

15 (c) COORDINATION OF CHIP FUNDING FOR FISCAL  
16 YEAR 2015.—Notwithstanding any other provision of law,  
17 insofar as funds have been appropriated under subsection  
18 (a)(18) or (m) of section 2104 of the Social Security Act  
19 (42 U.S.C. 1397dd), as such subsections are in effect on  
20 the day before the date of the enactment of this Act, to  
21 provide allotments to States under CHIP for fiscal year  
22 2015—

23 (1) any amounts that are so appropriated that  
24 are not so allotted and obligated before April 1,  
25 2015 are rescinded; and

1           (2) any amount provided for CHIP allotments  
2       to a State under this Act (and the amendments  
3       made by this Act) for such fiscal year shall be re-  
4       duced by the amount of such appropriations so allot-  
5       ted and obligated before such date.

6       (d) RELIANCE ON LAW.—With respect to amend-  
7       ments made by this Act that become effective as of a  
8       date—

9           (1) such amendments are effective as of such  
10      date whether or not regulations implementing such  
11      amendments have been issued; and

12          (2) Federal financial participation for medical  
13      assistance or child health assistance furnished under  
14      title XIX or XXI, respectively, of the Social Security  
15      Act on or after such date by a State in good faith  
16      reliance on such amendments before the date of pro-  
17      mulgation of final regulations, if any, to carry out  
18      such amendments (or before the date of guidance, if  
19      any, regarding the implementation of such amend-  
20      ments) shall not be denied on the basis of the  
21      State's failure to comply with such regulations or  
22      guidance.

# **TITLE I—FINANCING**

## **2 SEC. 101. 4-YEAR EXTENSION OF CHIP FUNDING.**

3 (a) FUNDING.—Section 2104(a) of the Social Secu-  
4 rity Act (42 U.S.C. 1397dd(a)) is amended—

5 (1) in paragraph (17), by striking “and” at the  
6 end;

7 (2) by striking paragraph (18) and inserting  
8 the following new paragraph:

9 “(18) for fiscal year 2015, \$21,061,000,000;”;

10 and

11 (3) by adding at the end the following new  
12 paragraphs:

13 “(19) for fiscal year 2016, \$19,300,000,000;

14 “(20) for fiscal year 2017, \$20,300,000,000;

15 “(21) for fiscal year 2018, \$21,300,000,000;

16 and

17 “(22) for fiscal year 2019, for purposes of mak-  
18 ing 2 semi-annual allotments—

19 “(A) \$2,850,000,000 for the period begin-  
20 ning on October 1, 2018, and ending on March  
21 31, 2019; and

22 “(B) \$2,850,000,000 for the period begin-  
23 ning on April 1, 2019, and ending on Sep-  
24 tember 30, 2019.”.

25 (b) ALLOTMENTS.—

1           (1) IN GENERAL.—Section 2104(m) of the So-  
2           cial Security Act (42 U.S.C. 1397dd(m)) is amend-  
3           ed—

4                   (A) in the subsection heading, by striking  
5           “2015” and inserting “2019”;

6                   (B) in paragraph (2)—

7                           (i) in the paragraph heading, by strik-  
8                   ing “2014” and inserting “2018”; and

9                           (ii) by striking subparagraph (B) and  
10           inserting the following new subparagraph:

11                   “(B) FISCAL YEAR 2013 AND EACH SUC-  
12           CEEDING FISCAL YEAR.—Subject to paragraphs  
13           (4) and (6), from the amount made available  
14           under paragraphs (16) through (21) of sub-  
15           section (a) for fiscal year 2013 and each suc-  
16           ceeding fiscal year, respectively, the Secretary  
17           shall compute a State allotment for each State  
18           (including the District of Columbia and each  
19           commonwealth and territory) for each such fis-  
20           cal year as follows:

21                           “(i) REBASING IN FISCAL YEAR 2013  
22                   AND EACH SUCCEEDING ODD-NUMBERED  
23                   FISCAL YEAR.—For fiscal year 2013 and  
24                   each succeeding odd-numbered fiscal year,  
25                   the allotment of the State is equal to the

1 Federal payments to the State that are at-  
2 tributable to (and countable toward) the  
3 total amount of allotments available under  
4 this section to the State in the preceding  
5 fiscal year (including payments made to  
6 the State under subsection (n) for such  
7 preceding fiscal year as well as amounts  
8 redistributed to the State in such pre-  
9 ceding fiscal year), multiplied by the allot-  
10 ment increase factor under paragraph (5)  
11 for such odd-numbered fiscal year.

12 “(ii) GROWTH FACTOR UPDATE FOR  
13 FISCAL YEAR 2014 AND EACH SUCCEEDING  
14 EVEN-NUMBERED FISCAL YEAR.—For fis-  
15 cal year 2014 and each succeeding even-  
16 numbered fiscal year, the allotment of the  
17 State is equal to the sum of—

18 “(I) the amount of the State al-  
19 lotment under clause (i) for the pre-  
20 ceding fiscal year; and

21 “(II) the amount of any pay-  
22 ments made to the State under sub-  
23 section (n) for such preceding fiscal  
24 year,



1 multiplied by the allotment increase factor  
2 under paragraph (5) for such even-num-  
3 bered fiscal year.”;

4 (C) in paragraph (3)—

5 (i) in the heading, by striking “2015”  
6 and inserting “2019”;

7 (ii) in subparagraph (A), by striking  
8 “paragraph (18)” and inserting “para-  
9 graph (22)”;

10 (iii) in subparagraph (B), by striking  
11 “paragraph (18)” and inserting “para-  
12 graph (22)”;

13 (iv) in subparagraph (C)—

14 (I) by striking “2014” each place  
15 it appears and inserting “2018”; and

16 (II) by striking “2015” and in-  
17 serting “2019”; and

18 (v) in subparagraph (D)—

19 (I) in clause (i)—

20 (aa) in subclause (I), by  
21 striking “subsection (a)(18)(A)”  
22 and inserting “subsection  
23 (a)(22)(A)”;

24 (bb) in subclause (II), by  
25 striking “section 108 of the Chil-

1                   dren’s Health Insurance Program  
2                   Reauthorization Act of 2009”  
3                   and inserting “section 101(b)(2)  
4                   of the CHIP Extension and Im-  
5                   provement Act of 2014”; and  
6                   (II) in clause (ii)(II), by striking  
7                   “subsection (a)(18)(B)” and inserting  
8                   “subsection (a)(22)(B)”;  
9                   (D) in paragraph (4), by striking “2015”  
10                  and inserting “2019”;  
11                  (E) in paragraph (6)—  
12                   (i) in subparagraph (A), by striking  
13                   “2015” and inserting “2019”; and  
14                   (ii) in the second sentence, by striking  
15                   “or fiscal year 2014” and inserting “fiscal  
16                   year 2014, fiscal year 2016, or fiscal year  
17                   2018”; and  
18                  (F) in paragraph (8)—  
19                   (i) in the paragraph heading, by strik-  
20                   ing “2015” and inserting “2019”; and  
21                   (ii) by striking “for a period in fiscal  
22                   year 2015” and inserting “for a period in  
23                   fiscal year 2019”.  
24                  (2) SUPPLEMENTAL APPROPRIATION FOR FIS-  
25                  CAL YEAR 2019.—There is appropriated to the Sec-

1       retary, out of any money in the Treasury not other-  
2       wise appropriated, \$16,700,000,000 to accompany  
3       the allotment made for the period beginning on Oc-  
4       tober 1, 2018, and ending on March 31, 2019,  
5       under section 2104(a)(22)(A) of the Social Security  
6       Act (42 U.S.C. 1397dd(a)(22)(A)) (as added by sub-  
7       section (a)), to remain available until expended.  
8       Such amount shall be used to provide allotments to  
9       States under paragraph (3) of section 2104(m) of  
10      such Act (42 U.S.C. 1397dd(m)) (as amended by  
11      paragraph (1)(C)) for the first 6 months of fiscal  
12      year 2019 in the same manner as allotments are  
13      provided under subsection (a)(22)(A) of such section  
14      2104 and subject to the same terms and conditions  
15      as apply to the allotments provided from such sub-  
16      section (a)(22)(A).

17      (c) EXTENSION OF QUALIFYING STATES OPTION.—  
18      Section 2105(g)(4) of the Social Security Act (42 U.S.C.  
19      1397ee(g)(4)) is amended—

20              (1) in the paragraph heading, by striking  
21              “2015” and inserting “2019”; and

22              (2) in subparagraph (A), by striking “2015”  
23              and inserting “2019”.

1 **SEC. 102. PERFORMANCE INCENTIVE PROGRAM IMPROVE-**  
2 **MENTS.**

3 (a) EXTENSION THROUGH FISCAL YEAR 2019.—Sec-  
4 tion 2105(a)(3) of the Social Security Act (42 U.S.C.  
5 1397ee(a)(3)) is amended—

6 (1) in subparagraph (A), by striking “2013”  
7 and inserting “2019”;

8 (2) in subparagraph (E)—

9 (A) in clause (ii)—

10 (i) in the matter preceding subclause  
11 (I), by inserting “after the application of  
12 section 2104(n)(3)(D)(ii) with respect to  
13 such amounts,” after “limitation,”;

14 (ii) by striking subclause (I) and in-  
15 serting the following new subclause:

16 “(I) UNOBLIGATED NATIONAL  
17 ALLOTMENT FOR FISCAL YEARS 2009  
18 THROUGH 2015.—As of December 31  
19 of fiscal year 2009, and as of Decem-  
20 ber 31 of each succeeding fiscal year  
21 through fiscal year 2015, the portion,  
22 if any, of the amount appropriated  
23 under section 2104(a) for such fiscal  
24 year that is unobligated for allotment  
25 to a State under section 2104(m) for  
26 such fiscal year or set aside under

1 subsection (a)(3) or (b)(2) of section  
2 2111 for such fiscal year.”;

3 (iii) in subclause (II), by striking  
4 “2013” and inserting “2015”; and

5 (iv) in subclause (III), by striking  
6 “2013” and inserting “2015”;

7 (B) by redesignating clause (iii) as clause  
8 (iv); and

9 (C) by inserting after clause (ii), the fol-  
10 lowing new clause:

11 “(iii) APPROPRIATION FOR FISCAL  
12 YEARS 2016 THROUGH 2019.—Out of any  
13 money in the Treasury not otherwise ap-  
14 propriated, there are appropriated  
15 \$500,000,000 for each of fiscal years 2016  
16 through 2019 for making payments under  
17 this paragraph. Amounts appropriated for  
18 a fiscal year under this clause shall remain  
19 available for making payments under this  
20 paragraph until January 1 of the following  
21 fiscal year. Any amounts of such appro-  
22 priations that remain unexpended or unob-  
23 ligated as of such date shall be transferred  
24 and made available for making payments  
25 under section 2104(n).”; and

1           (3) in subparagraph (F)(iii), by striking  
2       “2013” and inserting “2019”.

3       (b) UPDATED PERFORMANCE INCENTIVE CRITERIA  
4 FOR FISCAL YEARS 2015 THROUGH 2019.—Section  
5 2105(a) of the Social Security Act (42 U.S.C. 1397ee(a))  
6 is amended—

7           (1) in paragraph (3)(A), by inserting “or (5)”  
8       after “paragraph (4)”;

9           (2) in paragraph (4)—

10           (A) in the heading, by inserting “FISCAL  
11       YEARS 2009 THROUGH 2014” after “FOR CHIL-  
12       DREN”; and

13           (B) in the matter preceding subparagraph  
14       (A), by striking “for a fiscal year if” and in-  
15       serting “for fiscal years 2009 through 2014 if”;  
16       and

17           (3) by adding at the end the following new  
18       paragraph:

19           “(5) ENROLLMENT AND RETENTION PROVI-  
20       SIONS FOR CHILDREN FOR FISCAL YEAR 2015 AND  
21       SUCCEEDING FISCAL YEARS.—

22           “(A) IN GENERAL.—For purposes of para-  
23       graph (3)(A), a State meets the condition of  
24       this paragraph for fiscal year 2015 and any  
25       succeeding fiscal year if it is implementing at

1 least 5 of the enrollment and retention provi-  
2 sions specified in subparagraph (B) (treating  
3 each clause as a separate enrollment and reten-  
4 tion provision) throughout the entire fiscal year.

5 “(B) ENROLLMENT AND RETENTION PRO-  
6 VISIONS.—The enrollment and retention provi-  
7 sions specified in this subparagraph are the fol-  
8 lowing:

9 “(i) CONTINUOUS ELIGIBILITY.—The  
10 State has elected the option of continuous  
11 eligibility for a full 12 months for all chil-  
12 dren (as defined in section  
13 1902(e)(13)(G)), as well as applying such  
14 policy under its State child health plan  
15 under this title.

16 “(ii) EXPRESS LANE ELIGIBILITY.—  
17 The State is implementing the option de-  
18 scribed in section 1902(e)(13) under title  
19 XIX as well as, pursuant to section  
20 2107(e)(1), under this title.

21 “(iii) PRESUMPTIVE ELIGIBILITY.—  
22 The State is implementing section 1920A  
23 under title XIX as well as, pursuant to  
24 section 2107(e)(1), under this title.

1 “(iv) PREMIUM ASSISTANCE FOR EM-  
2 PLOYER-SPONSORED PLANS.—The State is  
3 implementing section 1906A under title  
4 XIX or the option described in section  
5 2105(c)(10) under this title.

6 “(v) SEAMLESS COVERAGE OP-  
7 TIONS.—In the case of a State that pro-  
8 vides medical assistance under the State  
9 plan under title XIX through managed  
10 care entities (as defined in section  
11 1932(a)(1)(B)) or health benefits coverage  
12 under the State child health plan through  
13 such entities, the State shall ensure that at  
14 least one such entity offers a qualified  
15 health plan through the Exchange estab-  
16 lished under title I of the Patient Protec-  
17 tion and Affordable Care Act in the State.

18 “(vi) RETROACTIVE COVERAGE REIN-  
19 STATEMENT UPON PREMIUM PAYMENT.—  
20 The State child health plan, in the case of  
21 an individual whose coverage under the  
22 plan has been terminated for failure to  
23 make premium payments, provides assist-  
24 ance to such individual for purposes of the  
25 immediate reenrollment of the individual



1           upon payment of outstanding premiums,  
2           with coverage retroactive to the beginning  
3           of the most recent month for which an out-  
4           standing premium has been paid, and shall  
5           not impose any waiting period or fee as a  
6           condition of such reenrollment.

7                   “(vii) EFFECTIVE TRANSITION TO  
8           THE COMMUNITY FOR VULNERABLE  
9           YOUTH.—

10                   “(I) IN GENERAL.—Subject to  
11           the subdivision (A) following para-  
12           graph (29) of section 1905(a), the  
13           State, before the date of the release of  
14           an eligible juvenile from any public in-  
15           stitution, and notwithstanding that  
16           the juvenile is an inmate of a public  
17           institution—

18                   “(aa) screens for eligibility  
19           for and processes any application  
20           for medical assistance submitted  
21           by, or on behalf of, such an eligi-  
22           ble juvenile; and

23                   “(bb) refers such juvenile to  
24           health care providers for pur-  
25           poses of receiving the services de-

1                   scribed in section 1905(a)(4)(B)  
2                   (relating to early and periodic  
3                   screening, diagnostic, and treat-  
4                   ment services defined in section  
5                   1905(r)).

6                   “(II) ELIGIBLE JUVENILE.—For  
7                   purposes of subclause (I), the term  
8                   ‘eligible juvenile’ means an individual  
9                   who—

10                   “(aa) is under 19 years of  
11                   age (or such higher age as the  
12                   State has elected under section  
13                   475(8)(B)(iii)); and

14                   “(bb) is an inmate of a pub-  
15                   lic institution.

16                   “(III) INMATE OF A PUBLIC IN-  
17                   STITUTION.—For purposes of this  
18                   clause, the term ‘inmate of a public  
19                   institution’ has the meaning given  
20                   such term for purposes of applying  
21                   the subdivision (A) following para-  
22                   graph (29) of section 1905(a), taking  
23                   into account the exception in such  
24                   subdivision for a patient of a medical  
25                   institution.”.

1 **SEC. 103. CHILD ENROLLMENT CONTINGENCY FUND AD-**  
2 **JUSTMENT.**

3 (a) IN GENERAL.—Section 2104(n) of the Social Se-  
4 curity Act (42 U.S.C. 1397dd(n)) is amended—

5 (1) in paragraph (2)—

6 (A) by striking “2014” and inserting  
7 “2018” each place it appears in subparagraphs  
8 (A)(ii) and (B); and

9 (B) by striking “2015” and inserting  
10 “2019” each place it appears in subparagraphs  
11 (A)(ii) and (B);

12 (2) in paragraph (3)—

13 (A) in subparagraph (A)—

14 (i) in the heading, by striking “IN  
15 GENERAL” and inserting “FISCAL YEARS  
16 2009 THROUGH 2015”;

17 (ii) in the matter preceding clause  
18 (i)—

19 (I) by striking “a semi-annual al-  
20 lotment period for”; and

21 (II) by striking “(determined  
22 without regard to any redistribution it  
23 receives under subsection (f) that is  
24 available for expenditure during such  
25 fiscal year or period, but including

1 any carryover from a previous fiscal  
2 year)”;

3 (iii) by striking “or period” each place  
4 it appears; and

5 (iv) in clause (ii), by striking “(or in  
6 which the period occurs)”;

7 (B) in subparagraph (B)(ii), by striking  
8 “(or semi-annual period occurring in a fiscal  
9 year)”;

10 (C) in subparagraph (C)(ii), by striking  
11 “(or semi-annual period occurring in a fiscal  
12 year)”;

13 (D) by redesignating subparagraphs (D),  
14 (E), (F), and (G) as subparagraphs (E), (F),  
15 (G), and (H), respectively;

16 (E) by inserting after subparagraph (C)  
17 the following new subparagraph:

18 “(D) FISCAL YEARS 2016 THROUGH  
19 2019.—

20 “(i) IN GENERAL.—For each of fiscal  
21 years 2016 through 2018 and each semi-  
22 annual allotment period for fiscal year  
23 2019, if the Secretary determines that a  
24 State is a shortfall State described in sub-  
25 paragraph (I) for that fiscal year or pe-

1            riod, the Secretary shall pay the State  
2            from the Fund, in addition to any other  
3            payments made to a State under this title  
4            for the fiscal year or period an amount  
5            equal to the amount of projected expendi-  
6            tures for the State under this title for the  
7            fiscal year or period that exceeds the sum  
8            determined under subparagraph (I) for the  
9            State and fiscal year or period.

10           “(ii)   TRANSFERS.—Notwithstanding  
11           any other provision of this title, the fol-  
12           lowing amounts shall also be available,  
13           without fiscal year limitation, for making  
14           payments from the Fund:

15           “(I)   UNOBLIGATED   NATIONAL  
16           ALLOTMENT FOR FISCAL YEARS BE-  
17           GINNING WITH FISCAL YEAR 2016.—  
18           As of December 31 of fiscal year  
19           2016, and as of December 31 of each  
20           succeeding fiscal year, the portion, if  
21           any, of the amount appropriated  
22           under subsection (a) for such fiscal  
23           year that is unobligated for allotment  
24           to a State under subsection (m) for  
25           such fiscal year.

1                   “(II)     UNEXPENDED     ALLOT-  
2                   MENTS NOT USED FOR REDISTRIBU-  
3                   TION.—As of November 15 of fiscal  
4                   year 2016 and each succeeding fiscal  
5                   year, the total amount of allotments  
6                   made to States under subsection (a)  
7                   for the second preceding fiscal year  
8                   that is not expended or redistributed  
9                   under subsection (f) during the period  
10                  in which such allotments are available  
11                  for obligation.

12                  “(III) UNEXPENDED PERFORM-  
13                  ANCE INCENTIVE FUNDS.—As of Sep-  
14                  tember 1, 2017, and as of September  
15                  1 of each succeeding calendar year,  
16                  the portion, if any, of the amount ap-  
17                  propriated under subparagraph  
18                  (E)(iii) of section 2105(a)(3) for the  
19                  preceding fiscal year that is not ex-  
20                  pended or obligated under such sec-  
21                  tion.

22                  “(iii) INVESTMENT OF FUND.—The  
23                  Secretary of the Treasury shall invest, in  
24                  interest bearing securities of the United  
25                  States, such currently available portions of

1 the Fund as are not immediately required  
2 for payments from the Fund. The income  
3 derived from these investments constitutes  
4 a part of the Fund.”;

5 (F) in subparagraph (E) (as so redesign-  
6 nated), by inserting “or (D)” after “subpara-  
7 graph (A)”;

8 (G) in subparagraph (H) (as so redesign-  
9 nated), by inserting “and regarding the expend-  
10 itures under the State child health plan” after  
11 “subparagraphs (A) and (B)”;

12 (3) by adding at the end the following new sub-  
13 paragraph:

14 “(I) SHORTFALL STATES DESCRIBED.—  
15 For purposes of subparagraph (D), with respect  
16 to a fiscal year or semi-annual allotment period,  
17 a shortfall State is a State for which the Sec-  
18 retary estimates, on the basis of the most re-  
19 cent data available to the Secretary, that the  
20 projected expenditures for the State for the fis-  
21 cal year or period under this title (including in  
22 the form of coverage described in paragraph (1)  
23 or (2) of section 2101, or both) will exceed the  
24 sum of—

1 “(i) the amount of the State’s allot-  
2 ments for any preceding fiscal year or pe-  
3 riod that remains available for expenditure  
4 and that will not be expended by the end  
5 of the immediately preceding fiscal year;

6 “(ii) the amount (if any) that will be  
7 redistributed to the State under subsection  
8 (f) for the fiscal year or period;

9 “(iii) the portion, if any, of the  
10 amount appropriated under subparagraph  
11 (E)(iii) of section 2105(a)(3) for the pre-  
12 ceding fiscal year or period that is not ex-  
13 pended or obligated under such section;  
14 and

15 “(iv) the amount of the State’s allot-  
16 ment for the fiscal year or period.”.

17 (b) CONFORMING AMENDMENTS.—Section  
18 2104(f)(2)(A) of the Social Security Act (42 U.S.C.  
19 13957dd(f)(2)(A)) is amended—

- 20 (1) in clause (i), by inserting “and” at the end;  
21 (2) by striking clause (ii); and  
22 (3) by redesignating clause (iii) as clause (ii).



1 **TITLE II—COVERAGE STABILITY**  
2 **AND REDUCED BUREAUCRACY**

3 **SEC. 201. IMPROVING COVERAGE STABILITY.**

4 (a) IN GENERAL.—Section 2102(b)(1)(B) of the So-  
5 cial Security Act (42 U.S.C. 1397bb(b)(1)(B)) is amend-  
6 ed—

7 (1) in clause (iii), by striking “in the case of a  
8 targeted low-income pregnant woman provided preg-  
9 nancy-related assistance under section 2112”; and

10 (2) in clause (iv), by striking “at State op-  
11 tion,”.

12 (b) CONFORMING AMENDMENTS.—

13 (1) Section 2105(c)(10) of the Social Security  
14 Act (42 U.S.C. 1397(ee)(10)) is amended—

15 (A) by striking subparagraph (F); and

16 (B) by redesignating subparagraphs (G)  
17 through (M) as subparagraphs (F) through (L),  
18 respectively.

19 (2) Section 2112(b)(5) of the Social Security  
20 Act (42 U.S.C. 1397ll(b)(5)) is amended—

21 (A) in the heading, by striking “OR WAIT-  
22 ING PERIOD”; and

23 (B) by striking “or any waiting period”  
24 and all that follows through “receipt of such as-  
25 sistance”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on the date of enactment of  
3 this Act.

4 **SEC. 202. ASSURING CARE CONTINUITY DURING TRANSI-**  
5 **TIONS AMONG CHIP, MEDICAID, AND QUALI-**  
6 **FIED HEALTH PLANS.**

7 (a) MINIMUM ESSENTIAL COVERAGE.—

8 (1) IN GENERAL.—Section 5000A(f) of the In-  
9 ternal Revenue Code of 1986 is amended by adding  
10 at the end the following:

11 “(6) PREGNANCY-RELATED ASSISTANCE UNDER  
12 CHIP.—With respect to a targeted low-income preg-  
13 nant woman (as defined in section 2112(d)(2) of the  
14 Social Security Act (42 U.S.C. 1397ll(d)(2)), not-  
15 withstanding paragraph (1)(A)(iii), the term ‘min-  
16 imum essential coverage’, at the option of such a  
17 woman, shall not include pregnancy-related assist-  
18 ance (as defined in section 2112(d)(1) of the Social  
19 Security Act (42 U.S.C. 1397ll(d)(1)).”.

20 (2) EFFECTIVE DATE.—The amendment made  
21 by this subsection applies to taxable years beginning  
22 after December 31, 2014.

23 (b) CONTINUITY OF CARE.—The Secretary of Health  
24 and Human Services shall issue regulations for purposes  
25 of ensuring continuity of care for children who—

1           (1) are undergoing an active course of treat-  
2           ment; and

3           (2) involuntarily change coverage under health  
4           insurance, the State plan under the Medicaid pro-  
5           gram under title XIX of the Social Security Act, or  
6           the State child health plan under title XXI of such  
7           Act during such course of treatment for any reason,  
8           including a reason related to a change in income,  
9           health plan termination, or a material change or  
10          changes to the plan's health benefits coverage.

11       (c) ENSURING COMPARABILITY OF COVERAGE.—

12           (1) IN GENERAL.—Not later than 18 months  
13           after the date of the enactment of the CHIP Exten-  
14           sion and Improvement Act of 2014, the Secretary of  
15           Health and Human Services shall review, with re-  
16           spect to a State, the benefits (by each benefit class)  
17           offered for children and the cost-sharing imposed  
18           with respect to such benefits by qualified health  
19           plans offered through an Exchange established  
20           under title I of the Patient Protection and Afford-  
21           able Care Act in the State. The Secretary shall  
22           make the findings of such review available on the  
23           public Internet site of the Department of Health and  
24           Human Services.

1           (2) REGULATIONS REQUIRED.—If, following  
2       such review, the Secretary determines that benefits  
3       and cost-sharing protections referred to in para-  
4       graph (1) are not comparable to the benefits (by  
5       each benefit class) offered and cost-sharing protec-  
6       tions provided under the State child health plan  
7       under title XXI of the Social Security Act (42  
8       U.S.C. 1397aa et seq.) in the State, the Secretary,  
9       not later than January 1, 2017, shall issue a rule,  
10      to apply with respect to plan years beginning in  
11      2019, establishing requirements designed to ensure  
12      that such qualified health plans offer benefits and  
13      cost-sharing protections that are comparable to the  
14      benefits and cost-sharing protections provided under  
15      such State child health plan for plan year 2019.

16 **SEC. 203. STATE FLEXIBILITY TO PROVIDE FOR CONTIN-**  
17 **UOUS ELIGIBILITY.**

18       Section 1902(e)(12) of the Social Security Act (42  
19 U.S.C. 1396a(e)(12)) is amended to read as follows:

20           “(12) CONTINUOUS ELIGIBILITY OPTION.—

21           “(A) CHILDREN.—At the option of the  
22       State, the plan may provide that a child (as de-  
23       fined in paragraph (13)(G)) who is determined  
24       to be eligible for benefits under a State plan ap-  
25       proved under this title under subsection

1 (a)(10)(A) shall remain eligible for those bene-  
2 fits until the earlier of—

3 “(i) the end of a period (not to exceed  
4 12 months) following the determination; or

5 “(ii) the time that the child exceeds  
6 the age specified in such paragraph  
7 (13)(G).

8 “(B) CERTAIN NONELDERLY ADULTS.—

9 “(i) IN GENERAL.—At the option of  
10 the State, the plan may provide that in the  
11 case of an eligible adult who is determined  
12 to be eligible for benefits under a State  
13 plan approved under this title (or a waiver  
14 of such plan), the eligible adult shall re-  
15 main eligible for those benefits until the  
16 end of a period (not to exceed 12 months)  
17 following the determination.

18 “(ii) ELIGIBLE ADULT DEFINED.—In  
19 this subparagraph, the term ‘eligible adult’  
20 means—

21 “(I) an individual (other than a  
22 child) whose income eligibility under  
23 the State plan or under a waiver of  
24 the plan for medical assistance is de-  
25 termined under paragraph (14); and

1 “(II) an individual included in  
2 any other group of individuals the  
3 Secretary determines appropriate.”.

4 **SEC. 204. STATE FLEXIBILITY TO USE ADMINISTRATIVE**  
5 **SIMPLIFICATION POLICIES FOR ENROLL-**  
6 **MENT.**

7 (a) PERMANENT EXTENSION OF MEDICAID AND  
8 CHIP EXPRESS LANE OPTION.—Section 1902(e)(13) of  
9 the Social Security Act (42 U.S.C. 1396a(e)(13)) is  
10 amended by striking subparagraph (I).

11 (b) EXTENDING EXPRESS LANE ELIGIBILITY TO  
12 ADULTS.—Section 1902(e)(13)(A) of the Social Security  
13 Act (42 U.S.C. 1396a(e)(13)(A)) is amended by adding  
14 at the end the following new clause:

15 “(iii) STATE OPTION TO EXTEND EXPRESS  
16 LANE ELIGIBILITY TO ADULTS.—

17 “(I) IN GENERAL.—At the option of  
18 the State, the State may apply the provi-  
19 sions of this paragraph with respect to de-  
20 termining eligibility under this title for an  
21 eligible individual (as defined in subclause  
22 (II)). In applying this paragraph in the  
23 case of a State making such an option, any  
24 reference in this paragraph to a child with  
25 respect to this title (other than a reference

1 to child health assistance) shall be deemed  
2 to be a reference to an eligible individual.

3 “(II) ELIGIBLE INDIVIDUAL DE-  
4 FINED.—In this clause, the term ‘eligible  
5 individual’ means—

6 “(aa) any individual (other than  
7 a child) whose income eligibility under  
8 the State plan or under a waiver of  
9 the plan for medical assistance is de-  
10 termined under paragraph (14); and

11 “(bb) an individual included in  
12 any other group of individuals the  
13 Secretary determines appropriate.”.

14 **SEC. 205. OUTREACH TO TARGETED POPULATIONS.**

15 (a) OUTREACH AND ENROLLMENT GRANTS.—Sec-  
16 tion 2113 of the Social Security Act (42 U.S.C. 1397mm)  
17 is amended—

18 (1) in subsection (a)—

19 (A) in paragraph (1), by striking “during  
20 the period of fiscal years 2009 through 2015”;  
21 and

22 (B) in paragraph (2)—

23 (i) in the heading, by striking “TEN  
24 PERCENT SET ASIDE” and inserting “SET  
25 ASIDE”; and

1 (ii) by striking “10 percent” and in-  
2 serting “15 percent”; and

3 (2) in subsection (g), by inserting “and  
4 \$40,000,000 for each fiscal year thereafter, to re-  
5 main available until expended” after “2015,”.

6 (b) REQUIREMENT THAT MANAGED CARE ORGANI-  
7 ZATIONS PROVIDE LANGUAGE SERVICES TO ENROLL-  
8 EES.—Section 1932(b) of the Social Security Act (42  
9 U.S.C. 1396u–2(b)) is amended by adding at the end the  
10 following new paragraph:

11 “(9) LANGUAGE SERVICES.—Each contract  
12 with a managed care entity under section 1903(m)  
13 or under section 1905(t)(3) shall require the entity  
14 to provide and pay for language services, including  
15 oral interpretation and written translation services,  
16 for an individual and the parent or guardian of such  
17 individual who is eligible for medical assistance  
18 under the State plan under this title and is enrolled  
19 with the entity and is limited English proficient  
20 when interacting with the entity or with any pro-  
21 vider receiving payment from the entity. Such lan-  
22 guage services shall be provided in conjunction with  
23 all covered items and services that are available to  
24 such individuals under the contract.”.



1 (c) MEDICAID HEALTH CARE DISPARITIES.—Section  
2 1946 of the Social Security Act (42 U.S.C. 1396w–5) is  
3 amended by adding at the end the following new sub-  
4 section:

5 “(d) APPROPRIATION.—Out of any funds in the  
6 Treasury not otherwise appropriated, there are appro-  
7 priated to carry out this section \$20,000,000, to remain  
8 available until expended.”.

9 (d) EFFECTIVE DATE.—The amendments made by  
10 this section take effect on the date of enactment of this  
11 Act.

## 12 **TITLE III—BENEFITS AND** 13 **AFFORDABILITY**

### 14 **SEC. 301. STRENGTHENED COST-SHARING PROTECTIONS** 15 **UNDER CHIP.**

16 Section 2103(e) of the Social Security Act (42 U.S.C.  
17 1397cc(e)) is amended—

18 (1) in paragraph (3)(B)—

19 (A) by inserting “, including with respect  
20 to benefits for dental services,” after “State  
21 child health plan”;

22 (B) by striking “annual aggregate cost-  
23 sharing” and inserting “aggregate cost-shar-  
24 ing”; and

1 (C) by striking “for the year involved” and  
2 inserting “, as applied on a quarterly or month-  
3 ly basis (as specified by the State)”; and

4 (2) by adding at the end the following new  
5 paragraph:

6 “(5) ADDITIONAL REQUIREMENTS.—

7 “(A) TRACKING OF EXPENSES; NOTICE.—

8 Except as provided in subparagraph (B), in the  
9 case of a State child health plan that imposes  
10 premiums, deductibles, cost sharing, or similar  
11 charges that could (as determined by the Sec-  
12 retary) cause families that include a targeted  
13 low-income child or a targeted low-income preg-  
14 nant woman to have out-of-pocket expenses that  
15 exceed the limit imposed under paragraph  
16 (3)(B) for a month or quarter (as applicable  
17 under the State plan), the State child health  
18 plan shall—

19 “(i) establish an electronic process for  
20 tracking such expenses that does not rely  
21 on documentation provided by the targeted  
22 low-income child, the targeted low-income  
23 pregnant woman, or the family; and

24 “(ii) notify each such family—

1 “(I) of the aggregate monthly or  
2 quarterly limits on out-of-pocket ex-  
3 penses applicable to the family im-  
4 posed under paragraph (3)(B); and

5 “(II) that no premiums,  
6 deductibles, cost sharing, or similar  
7 charges shall be imposed on any tar-  
8 geted low-income child or targeted  
9 low-income pregnant woman in the  
10 family for the remainder of any month  
11 or quarter with respect to which the  
12 family has reached the aggregate  
13 monthly or quarterly family limit im-  
14 posed under such paragraph applica-  
15 ble to the family.

16 “(B) MANAGED CARE ENTITIES OR ORGA-  
17 NIZATIONS.—In the case of a State child health  
18 plan that provides child health assistance  
19 through managed care entities or organizations,  
20 the entities or organizations shall, with respect  
21 to families described in subparagraph (A)—

22 “(i) establish an electronic process de-  
23 scribed in subparagraph (A)(i); and

24 “(ii) coordinate with the State agency  
25 responsible for implementing the State

1 child health plan under this title to ensure  
2 that any premiums, deductibles, cost shar-  
3 ing, or similar charges imposed on such a  
4 family are included in the aggregate limit  
5 applicable to the family under paragraph  
6 (3)(B).”.

7 **SEC. 302. ENSURING COVERAGE OF PREVENTIVE HEALTH**  
8 **SERVICES UNDER MEDICAID AND CHIP.**

9 (a) MEDICAID.—

10 (1) CLARIFYING PREVENTIVE COVERAGE.—Sec-  
11 tion 1905(a)(13) of the Social Security Act (42  
12 U.S.C. 1396d(a)(13)) is amended—

13 (A) by striking subparagraphs (A) and  
14 (B);

15 (B) by redesignating subparagraph (C) as  
16 subparagraph (B); and

17 (C) by inserting before subparagraph (B)  
18 (as so redesignated) the following new subpara-  
19 graph:

20 “(A) the items and services described in  
21 paragraphs (1) through (5) of section 2713(a)  
22 of the Public Health Service Act; and”.

23 (2) CONFORMING AMENDMENT.—Section  
24 1902(a)(10)(A) of the Social Security Act (42  
25 U.S.C. 1396a(a)(10)(A)) is amended in the matter

1 preceding clause (i), by inserting “, (13)(A)” before  
2 “, (17)”.

3 (b) CHIP.—Section 2103(c)(1)(D) of the Social Se-  
4 curity Act (42 U.S.C. 1397cc(c)(1)(D)) is amended by  
5 striking “Well-baby” and inserting “Items and services  
6 described in paragraphs (1) through (5) of section 2713(a)  
7 of the Public Health Service Act, including well-baby”.

8 (c) COST-SHARING PROHIBITIONS.—

9 (1) IN GENERAL.—Section 1916 of the Social  
10 Security Act (42 U.S.C. 1396(o)) is amended—

11 (A) in subsection (a)(2)—

12 (i) in subparagraph (D), by striking  
13 “or” at the end;

14 (ii) in subparagraph (E), by striking  
15 “hospice care (as defined in section  
16 1905(o)); and” at the end and inserting  
17 “hospice care (as defined in section  
18 1905(o)), or”; and

19 (iii) by adding at the end the fol-  
20 lowing new subparagraph:

21 “(F) items and services described in sec-  
22 tion 1905(a)(13)(A); and”; and

23 (B) in subsection (b)(2)—

24 (i) in subparagraph (D), by striking  
25 “or” at the end;

1 (ii) in subparagraph (E), by striking  
2 “hospice care (as defined in section  
3 1905(o)); and” at the end and inserting  
4 “hospice care (as defined in section  
5 1905(o)), or”; and

6 (iii) by adding at the end the fol-  
7 lowing new subparagraph:

8 “(F) items and services described in sec-  
9 tion 1905(a)(13)(A); and”.

10 (2) STATE OPTION.—Section 1916A(b)(3)(B) of  
11 the Social Security Act (42 U.S.C. 1396o–  
12 1(b)(3)(B)) is amended by adding at the end the fol-  
13 lowing new clause:

14 “(xi) Items and services described in  
15 section 1905(a)(13)(A).”.

16 **SEC. 303. TIMELY IMMUNIZATION COVERAGE.**

17 (a) COVERAGE FOR NEWLY APPROVED VACCINES  
18 WITHIN 30 DAYS.—

19 (1) IN GENERAL.—Section 1928(e) of the So-  
20 cial Security Act (42 U.S.C. 1396s(e)) is amended  
21 by adding at the end the following new sentence:  
22 “Each revision of the list established by such Advi-  
23 sory Committee shall apply to the purchase, delivery,  
24 and administration of pediatric vaccines under this

1 section not later than 30 days after the date such  
2 Advisory Committee approves the revision.”.

3 (2) CONFORMING AMENDMENT.—Section  
4 2103(c)(1)(D) of the Social Security Act (42 U.S.C.  
5 1397cc(c)(1)(D)) is amended by inserting “, admin-  
6 istered in accordance with the schedule referred to  
7 in section 1928(c)(2)(B)(i) for pediatric vaccines”  
8 after “immunizations”.

9 (b) TREATMENT OF CHIP-ELIGIBLE CHILDREN AS  
10 FEDERALLY VACCINE-ELIGIBLE CHILDREN.—Section  
11 1928(b)(2) of the Social Security Act (42 U.S.C.  
12 1396s(b)(2)) is amended—

13 (1) in subparagraph (A)(i), by inserting “or  
14 CHIP-eligible” after “medicaid-eligible”; and

15 (2) in subparagraph (B), by striking clause (i)  
16 and inserting the following:

17 “(i) The term ‘medicaid-eligible or  
18 CHIP-eligible child’ means, with respect to  
19 a child, a child who is entitled to medical  
20 assistance under a State plan approved  
21 under this title or a waiver of such plan,  
22 or who is eligible for child health assist-  
23 ance under a State child health plan ap-  
24 proved under title XXI.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section take effect on the date of enactment of this  
3 Act.

4 **SEC. 304. PAYMENT PARITY FOR MEDICAID PRIMARY CARE**  
5 **SERVICES.**

6 (a) IN GENERAL.—Section 1902(a)(13)(C) of the So-  
7 cial Security Act (42 U.S.C. 1396a(a)(13)(C)) is amend-  
8 ed—

9 (1) by striking “2013 and 2014” and inserting  
10 “calendar years 2014 through 2019”;

11 (2) by striking “, general internal medicine”  
12 and inserting “, general internal medicine, neu-  
13 rology, psychiatry, obstetrics and gynecology”;

14 (3) by inserting “or a health care practitioner  
15 who is a nurse practitioner, physician assistant, or  
16 clinical nurse specialist (as such terms are defined in  
17 section 1861(aa)(5)) or a certified nurse midwife (as  
18 defined in section 1861(gg)(2))” after “pediatric  
19 medicine”; and

20 (4) by striking “such services and physician”  
21 and inserting “such services and physician or health  
22 care practitioner”.

23 (b) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to items and services furnished on



1 or after the first day of the first calendar quarter that  
2 begins after the date of the enactment of this Act.

3 **TITLE IV—ACCESS AND QUALITY**  
4 **Subtitle A—Pediatric Quality**  
5 **Measures**

6 **SEC. 401. EXTENDING THE PEDIATRIC QUALITY MEASURES**  
7 **PROGRAM.**

8 Section 1139A(i) of the Social Security Act (42  
9 U.S.C. 1320b–9a(i)) is amended by inserting “, and for  
10 each of fiscal years 2015 through 2019, \$50,000,000,”  
11 after “\$45,000,000”.

12 **SEC. 402. ENHANCED FMAP FOR ACTIVITIES RELATED TO**  
13 **PEDIATRIC QUALITY MEASURES.**

14 Section 1903(a)(3)(A)(iii) of the Social Security Act  
15 (42 U.S.C. 1396b(a)(3)(A)(iii)) is amended to read as fol-  
16 lows:

17 “(iii) 95 percent of so much of the sums  
18 expended during any such quarter in fiscal  
19 years 2015, 2016, and 2017, 90 percent of so  
20 much of the sums expended during any such  
21 quarter in fiscal years 2018 and 2019, and the  
22 higher of an amount equal to the Federal med-  
23 ical assistance percentage (as defined in section  
24 1905(b)) or 75 percent of so much of the sums  
25 expended during any such quarter in any fiscal

1           year thereafter (as found necessary by the Sec-  
2           retary for the proper and efficient administra-  
3           tion of the State plan) as are attributable to  
4           such developments or modifications of systems  
5           of the type described in clause (i) as are nec-  
6           essary for the efficient collection and reporting  
7           on the core set of child health quality measures  
8           under subsections (a), (b), (c), and (f) of sec-  
9           tion 1139A; and”.

10 **SEC. 403. REPORTING OF FULL SET OF PEDIATRIC QUALITY**  
11 **MEASURES.**

12           Section 1139A(a)(4) of the Social Security Act (42  
13 U.S.C. 1320b–9a(a)(4)) is amended—

14           (1) in the heading, by striking “ENCOURAGE  
15           VOLUNTARY AND STANDARDIZED” and inserting  
16           “STANDARDIZED”;

17           (2) by striking “Not later than” and inserting  
18           the following:

19                   “(A) ENCOURAGING VOLUNTARY REPORT-  
20                   ING.—Not later than”; and

21           (3) by adding at the end the following new sub-  
22           paragraph:

23                   “(B) OTHER REPORTING.—Not later than  
24                   five years after the date of the enactment of the  
25                   CHIP Extension and Improvement Act of 2014,

1 the Secretary shall require that each State sub-  
2 mit information on the core set of child health  
3 quality measures (as in effect on such date of  
4 enactment), as updated under subsection  
5 (b)(5).”.

6 **SEC. 404. TECHNICAL ASSISTANCE TO STATES FOR ADOPT-**  
7 **ING AND UTILIZING PEDIATRIC QUALITY**  
8 **MEASURES.**

9 Section 1139A(a)(7) of the Social Security Act (42  
10 U.S.C. 1320b–9a(a)(7)) is amended to read as follows:

11 “(7) TECHNICAL ASSISTANCE.—

12 “(A) IN GENERAL.—The Secretary shall  
13 provide technical assistance to States to assist  
14 them in adopting and utilizing the core set of  
15 child health measures in administering the  
16 State plans under titles XIX and XXI, includ-  
17 ing by assisting States in building their data  
18 collection infrastructures.

19 “(B) FUNDING.—\$5,000,000 of the  
20 amount appropriated under subsection (i) for a  
21 fiscal year shall be used to carry out this para-  
22 graph.”.

1 **SEC. 405. IMPROVING THE EFFECTIVENESS OF THE PEDI-**  
2 **ATRIC QUALITY MEASURES.**

3 Section 1139A(b) of the Social Security Act (42  
4 U.S.C. 1320b–9a(b)) is amended—

5 (1) in paragraph (4)—

6 (A) by striking the paragraph heading and  
7 inserting the following: “ENSURING THE DE-  
8 VELOPMENT, MAINTENANCE, AND REPORTING  
9 OF A PORTFOLIO OF PEDIATRIC QUALITY MEAS-  
10 URES”;

11 (B) in subparagraph (A), by striking  
12 “and” at the end;

13 (C) in subparagraph (B)(iii)—

14 (i) by inserting “establishment of a  
15 sustainable mechanism for maintaining  
16 and” before “updating”; and

17 (ii) by striking “as necessary.” and  
18 inserting “in alignment with the most re-  
19 cent version of the ‘Blueprint for the  
20 Measures Management System’ published  
21 by the Centers for Medicare & Medicaid  
22 Services, as necessary; and”;

23 (D) by adding at the end the following new  
24 subparagraph:

25 “(C) award grants or contracts to continue  
26 and enhance the pediatric quality measures pro-

1           gram, which shall include awarding grants and  
2           contracts with a particular emphasis on—

3                   “(i) patient and family experience or  
4                   coordination of care;

5                   “(ii) pediatric populations that are  
6                   small in size and may be most effectively  
7                   addressed by aggregating data across mul-  
8                   tiple States, including pediatric populations  
9                   with medical complexity and pediatric pop-  
10                  ulations with rare conditions;

11                  “(iii) the impacts of changes in life  
12                  events over various stages of child and ad-  
13                  olescent development, including changes in  
14                  morbidity and mortality, dependence sta-  
15                  tus, and developmental stages, and the im-  
16                  pacts of such changes on subsequent  
17                  health and health care quality; and

18                  “(iv) establishing a sustainable mech-  
19                  anism for identifying and assisting States  
20                  in developing a standardized data infra-  
21                  structure for the collection and national re-  
22                  porting of pediatric quality measures, in-  
23                  cluding developing precise data element  
24                  definitions and utilizing consistent data  
25                  collection methods.”;

1           (2) by striking paragraph (5) and inserting the  
2           following new paragraph:

3           “(5) REVISING, STRENGTHENING, AND IMPROV-  
4           ING INITIAL CORE MEASURES.—

5           “(A) IN GENERAL.—The Secretary shall  
6           annually issue a rule (in accordance with sec-  
7           tion 553 of title 5, United States Code) to  
8           amend the core set of child health quality meas-  
9           ures described in subsection (a) so that such  
10          core set—

11           “(i) is consistent with the purposes of  
12           the pediatric quality measures program es-  
13           tablished under paragraph (1);

14           “(ii) meets the conditions specified in  
15           paragraph (2);

16           “(iii) includes measures that—

17           “(I) were developed by the Sec-  
18           retary in consultation with the entities  
19           specified in subparagraphs (A)  
20           through (H) of paragraph (3);

21           “(II) were developed, validated,  
22           tested, or maintained through a grant  
23           or contract awarded under paragraph  
24           (4); and

1 “(III) were submitted to the Sec-  
2 retary for consideration that were not  
3 developed under such a grant or con-  
4 tract; and

5 “(iv) takes into account the reports  
6 and demonstration projects described in  
7 subparagraphs (c), (d), (e), and (f) of this  
8 section.

9 “(B) ADDITIONAL CHANGES.—Beginning  
10 not later than one year after the date of the en-  
11 actment of the CHIP Extension and Improve-  
12 ment Act of 2014, the amendments made to the  
13 core set of measures under subparagraph (A)  
14 shall include changes—

15 “(i) to measure the type of children’s  
16 health insurance coverage or other health  
17 benefits coverage available over time, in  
18 addition to the presence, stability, and du-  
19 ration of such health insurance coverage or  
20 such health benefits coverage over time, for  
21 purposes of examining enrollment changes  
22 of a child from one type of coverage to an-  
23 other;

24 “(ii) to ensure that the measures re-  
25 flect the care provided to the diverse pedi-

1           atric population, including adolescents and  
2           children with special health care needs and  
3           the management of acute and chronic con-  
4           ditions;

5           “(iii) to ensure that the measures re-  
6           flect care provided in all health care set-  
7           tings in which an individual enrolled in the  
8           State plan under title XIX receives care;  
9           and

10          “(iv) to encourage the adoption of pe-  
11          diatric quality measures at the State, plan,  
12          community, facility, and provider level at-  
13          tribution, as well as across different health  
14          care delivery and coverage systems, includ-  
15          ing coverage provided through the Ex-  
16          changes established under title I of the Pa-  
17          tient Protection and Affordable Care Act.”;

18          (3) in paragraph (6)—

19                (A) by striking “clinical care” and insert-  
20                ing “clinical effectiveness, patient safety, popu-  
21                lation and public health, patient and family en-  
22                gagement, care coordination, or efficiency”; and

23                (B) by striking “in various institutional  
24                and ambulatory health care settings”; and



1           (4) by adding at the end the following new  
2 paragraph:

3           “(8) FUNDING.—\$20,000,000 of the amount  
4 appropriated under subsection (i) for a fiscal year  
5 shall be used to carry out this subsection.”.

6 **SEC. 406. REPORTS REGARDING STATE-SPECIFIC QUALITY**  
7 **OF CARE MEASURES APPLIED UNDER MED-**  
8 **ICAID OR CHIP.**

9           Section 1139A(c)(1) of the Social Security Act (42  
10 U.S.C. 1320b–9a(c)) is amended—

11           (1) in subparagraph (A), by striking “and” at  
12 the end;

13           (2) in subparagraph (B), by striking the period  
14 at the end and inserting a semicolon; and

15           (3) by adding at the end the following new sub-  
16 paragraphs:

17           “(C) State-specific information on the an-  
18 nual progress toward, and efforts to overcome  
19 barriers to, reporting on all quality measures  
20 within the core set of child health quality meas-  
21 ures, as updated under subsection (b)(5); and

22           “(D) beginning not later than 5 years after  
23 the date of the enactment of this subparagraph,  
24 State-specific information on all quality meas-

1           ures within the core set of child health quality  
2           measures, as updated under subsection (b)(5).”.

3 **SEC. 407. ADVISORY PANEL REGARDING PEDIATRIC QUAL-**  
4 **ITY.**

5       (a) IN GENERAL.—Section 1139A(g) of the Social  
6 Security Act (42 U.S.C. 1320b–9a(g)) is amended—

7           (1) in the heading, by striking “STUDY OF” and  
8       inserting “STAKEHOLDER INPUT AND REPORTS  
9       ON”;

10          (2) by redesignating paragraph (2) as para-  
11       graph (3); and

12          (3) by inserting after paragraph (1) the fol-  
13       lowing new paragraph:

14           “(2) PEDIATRIC QUALITY MEASUREMENT.—Not  
15       later than 18 months after the date of the enact-  
16       ment of this paragraph, the Secretary, in consulta-  
17       tion with representatives of State agencies respon-  
18       sible for administering the Medicaid program under  
19       title XIX and the Children’s Health Insurance Pro-  
20       gram under title XXI and representatives of relevant  
21       provider organizations, shall submit (and periodically  
22       update) to the Committee on Energy and Commerce  
23       of the House of Representatives and the Committee  
24       on Finance of the Senate a report that takes into  
25       account the priorities and goals to be established

1       pursuant to section 1890(b)(7)(E). Such report shall  
2       include—

3               “(A) strategic and detailed operational  
4               plans to address and overcome barriers to State  
5               collection of, and reporting of, all quality meas-  
6               ures within the core set of child health quality  
7               measures, as updated under subsection (b)(5);

8               “(B) an analysis of the types of incentives,  
9               including Federal funding and any associated  
10              amounts necessary for States to collect and re-  
11              port on all quality measures within the core set  
12              of child health quality measures, as updated  
13              under subsection (b)(5); and

14              “(C) a standardized format and plan for  
15              States to collect and report on all quality meas-  
16              ures within the core set of child health quality  
17              measures, as updated under subsection (b)(5).”.

18       (b) INCLUSION OF CHILD AND ADULT HEALTH  
19       QUALITY MEASURES FOR MULTI-STAKEHOLDER GROUP  
20       INPUT.—Section 1890(b)(7) of the Social Security Act  
21       (42 U.S.C. 1395aaa(b)(7)) is amended—

22              (1) in subparagraph (B)(i)(I), by inserting  
23              “1139A(a), 1139B,” after “sections”; and

24              (2) by adding at the end the following new sub-  
25       paragraph:

1           “(E) PEDIATRIC QUALITY MEASURE-  
2           MENT.—With respect to quality and efficiency  
3           measures for use pursuant to section 1139A(a),  
4           the entity shall convene a panel, composed of  
5           health experts (including experts employed by  
6           the Federal Government and experts not so em-  
7           ployed) to establish priorities and goals for  
8           child health to—

9                   “(i) advise and make recommenda-  
10                  tions to the Secretary regarding changes  
11                  that may be made to the core set of child  
12                  health quality measures, as updated under  
13                  section 1139A(b)(5);

14                  “(ii) establish standards for the time-  
15                  liness and accuracy of data collected and  
16                  reported for purposes of such measures;  
17                  and

18                  “(iii) review and make recommenda-  
19                  tions, at least annually, for strategies to  
20                  enhance the timeliness, accuracy, and util-  
21                  ity of such measures.”.

22   **SEC. 408. EXTENDING AND EXPANDING DEMONSTRATION**  
23           **PROJECTS.**

24           (a) STRENGTHENING DEMONSTRATION PROJECTS  
25   FOR IMPROVING THE QUALITY OF CHILDREN’S HEALTH

1 CARE AND THE USE OF HEALTH INFORMATION TECH-  
2 NOLOGY.—Section 1139A(d) of the Social Security Act  
3 (42 U.S.C. 1320b–9a(d)) is amended—

4 (1) in paragraph (1)—

5 (A) in the matter preceding subparagraph

6 (A)—

7 (i) by striking “2009 through 2013,  
8 the Secretary shall award not more than  
9 10 grants” and inserting “2015 through  
10 2019, the Secretary shall award not fewer  
11 than 10 grants,”; and

12 (ii) by inserting “(including oral  
13 care)” after “health care”;

14 (B) in subparagraph (C), by striking “or”  
15 at the end;

16 (C) in subparagraph (D), by striking the  
17 period at the end and inserting a semicolon;  
18 and

19 (D) by adding at the end the following new  
20 subparagraphs:

21 “(E) examine and address barriers to ef-  
22 fective delivery of perinatal care and its impact  
23 on birth outcomes and subsequent pregnancies  
24 and children’s health;

1           “(F) implement and expand pediatric and  
2           perinatal learning and quality improvement  
3           collaboratives on the quality of children’s and  
4           pregnant women’s health care, including im-  
5           proving patient outcomes, reducing health costs,  
6           and addressing health disparities;

7           “(G) encourage and evaluate the use at the  
8           State level of payment reform and related policy  
9           proposals for purposes of promoting higher  
10          quality of care for children, including the  
11          shared savings program established under sec-  
12          tion 1899 and other methods of encouraging in-  
13          tegrated care models; or

14          “(H) with respect to the model electronic  
15          health record format for children developed and  
16          disseminated under subsection (f)—

17               “(i) assess the extent to which the  
18               format has been incorporated into widely-  
19               used electronic health record formats;

20               “(ii) implement standards and activi-  
21               ties that result in increased use of such  
22               format; and

23               “(iii) evaluate the impact of the in-  
24               creased use of such format.”;

25          (2) in paragraph (2)—

1 (A) in subparagraph (A), by striking  
2 “and” at the end;

3 (B) in subparagraph (B), by striking the  
4 period at the end and inserting “; and”; and

5 (C) by adding at the end the following new  
6 subparagraph:

7 “(C) with respect to grants awarded for  
8 projects described in paragraph (1)(F)—

9 “(i) give priority to collaboratives that  
10 would demonstrate substantial impacts on  
11 the pediatric population by—

12 “(I) affecting a large percentage  
13 of such population or by substantially  
14 improving outcomes in a smaller pop-  
15 ulation;

16 “(II) reducing the cost of, and  
17 other barriers to access to, health care  
18 for children, including children with  
19 medically-complex illnesses or chronic  
20 conditions;

21 “(III) having a high likelihood to  
22 reduce disparities in health status; or

23 “(IV) potentially having long-  
24 term health impacts by addressing

1 childhood precursors to adult condi-  
2 tions; and

3 “(ii) encourage coordination with  
4 other sources of funding in the expansion  
5 of pediatric learning collaboratives, includ-  
6 ing by coordinating care and utilizing com-  
7 munity health workers (as defined in sec-  
8 tion 399V(k) of the Public Health Service  
9 Act (42 U.S.C. 280g–11(k)).”; and

10 (3) in paragraph (4)—

11 (A) by inserting “For each of fiscal years  
12 2009 through 2013,” before “\$20,000,000”;  
13 and

14 (B) by adding at the end the following new  
15 sentence: “For each of fiscal years 2015  
16 through 2019, \$25,000,000 of the amount ap-  
17 propriated under subsection (i) for a fiscal year  
18 shall be used to carry out this subsection.”.

19 (b) EXTENDING FUNDING FOR CHILDHOOD OBESITY  
20 DEMONSTRATION PROJECTS.—Section 1139A(e)(8) of the  
21 Social Security Act (42 U.S.C. 1320b–9a(e)(8)) is amend-  
22 ed by inserting “, and for the period of fiscal years 2015  
23 through 2019, \$25,000,000” after “2014”.



1     **Subtitle B—Continuing Delivery**  
2                     **System Reform**

3     **SEC. 411. SUPPORTING EVIDENCE-BASED CARE COORDINA-**  
4                     **TION IN COMMUNITIES.**

5             (a) IN GENERAL.—Section 511(j)(1) of the Social Se-  
6     curity Act (42 U.S.C. 711(j)(1)) is amended—

7                 (1) in subparagraph (D), by inserting “and” at  
8     the end;

9                 (2) in subparagraph (E), by striking “fiscal  
10     year 2014; and” and inserting “each of fiscal years  
11     2014 through 2019.”; and

12                (3) by striking subparagraph (F).

13             (b) EFFECTIVE DATE.—The amendments made by  
14     this section shall take effect on the date of enactment of  
15     this Act.

16     **SEC. 412. ENSURING CARE COORDINATION FOR CHILDREN.**

17             Section 2706 of the Patient Protection and Afford-  
18     able Care Act (42 U.S.C. 1396a note) is amended—

19                 (1) in subsection (a)(2), by striking “2016” and  
20     inserting “2019”; and

21                 (2) in subsection (e), by striking “appro-  
22     priated” and all that follows through the period at  
23     the end and inserting the following: “appropriated to  
24     carry out this section—

1 “(1) for fiscal year 2014, such sums as are nec-  
2 essary;

3 “(2) for each of fiscal years 2015 through  
4 2019, \$100,000,000; and

5 “(3) for the period beginning on October 1,  
6 2019 and ending on December 31, 2019,  
7 \$25,000,000.”.

## 8 **Subtitle C—Miscellaneous**

### 9 **SEC. 421. ASSURING COVERAGE CONTINUITY FOR FORMER** 10 **FOSTER CARE CHILDREN.**

11 (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(IX) of  
12 the Social Security Act (42 U.S.C.  
13 1396a(a)(10)(A)(i)(IX)) is amended—

14 (1) in item (bb), by striking “are not described  
15 in or enrolled under” and inserting “are not de-  
16 scribed in and are not enrolled under”;

17 (2) in item (cc), by striking “responsibility of  
18 the State” and inserting “responsibility of a State”;  
19 and

20 (3) in item (dd), by striking “the State plan  
21 under this title or under a waiver of the” and insert-  
22 ing “a State plan under this title or under a waiver  
23 of such a”.

24 (b) EFFECTIVE DATE.—The amendments made by  
25 this section shall take effect on July 1, 2015.

1   **SEC. 422. DEFINITION OF THERAPEUTIC FOSTER CARE AS**  
2                   **MEDICAL ASSISTANCE.**

3           (a) IN GENERAL.—Section 1905 of the Social Secu-  
4   rity Act (42 U.S.C. 1396d) is amended—

5               (1) in subsection (a)—

6                   (A) in paragraph (28), by striking “and”  
7               at the end;

8                   (B) by redesignating paragraph (29) as  
9               paragraph (30); and

10               (C) by inserting after paragraph (28) the  
11           following new paragraph:

12               “(29) therapeutic foster care services described  
13           in subsection (ee); and”; and

14               (2) by adding at the end the following new sub-  
15           section:

16           “(ee)(1) For purposes of subsection (a)(29), subject  
17   to subparagraph (C), therapeutic foster care services de-  
18   scribed in this subsection are services provided for children  
19   who have not attained age 21, and who, as a result of  
20   mental illness, other emotional or behavioral disorders,  
21   medically fragile conditions, or developmental disabilities,  
22   need the level of care provided in an institution (including  
23   a psychiatric residential treatment facility) or nursing fa-  
24   cility the cost of which could be reimbursed under the  
25   State plan but who can be cared for or maintained in a

1 community placement, through a qualified therapeutic foster  
2 care program described in paragraph (2).

3 “(2) A qualified therapeutic foster care program de-  
4 scribed in this paragraph is a program that—

5 “(A) is licensed by the State and accredited by  
6 the Joint Commission on Accreditation of  
7 Healthcare Organizations, the Commission on Ac-  
8 creditation of Rehabilitation Facilities, the Council  
9 on Accreditation, or by another equivalent accredita-  
10 tion agency (or agencies) as the Secretary may rec-  
11 ognize;

12 “(B) provides structured daily activities, includ-  
13 ing the development, improvement, monitoring, and  
14 reinforcing of age-appropriate social, communication  
15 and behavioral skills, trauma-informed and gender-  
16 responsive services, crisis intervention and crisis sup-  
17 port services, medication monitoring, counseling, and  
18 case management, and may furnish other intensive  
19 community services; and

20 “(C) provides foster care parents with special-  
21 ized training and consultation in the management of  
22 children with mental illness, trauma, other emotional  
23 or behavioral disorders, medically fragile conditions,  
24 or developmental disabilities, and specific additional

1 training on the needs of each child provided such  
2 services.

3 “(3) In making coverage determinations under para-  
4 graph (1), a State may employ medical necessity criteria  
5 that are similar to the medical necessity criteria applied  
6 to coverage determinations for other services and supports  
7 under this title.

8 “(4) The services described in this subsection do not  
9 include the training referred to in paragraph (2)(C).”.

10 (b) **EFFECTIVE DATE.**—The amendments made by  
11 subsection (a) shall apply to calendar quarters beginning  
12 on or after the date of enactment of this Act.

13 **SEC. 423. TECHNICAL CORRECTION.**

14 (a) **IN GENERAL.**—Section 1917(d)(4)(A) of the So-  
15 cial Security Act (42 U.S.C. 1396p(d)(4)(A)) is amended  
16 by inserting “the individual,” after “for the benefit of such  
17 individual by”.

18 (b) **EFFECTIVE DATE.**—The amendment made by  
19 subsection (a) shall apply to trusts established on or after  
20 the date of the enactment of this Act.